Public Utilities Regulatory Authority
PURA
Equity in development

GAMBIA

SHAPING THE FUTURE OF TELEVISION BROADCASTING– THE GAMBIAN EXPERIENCE

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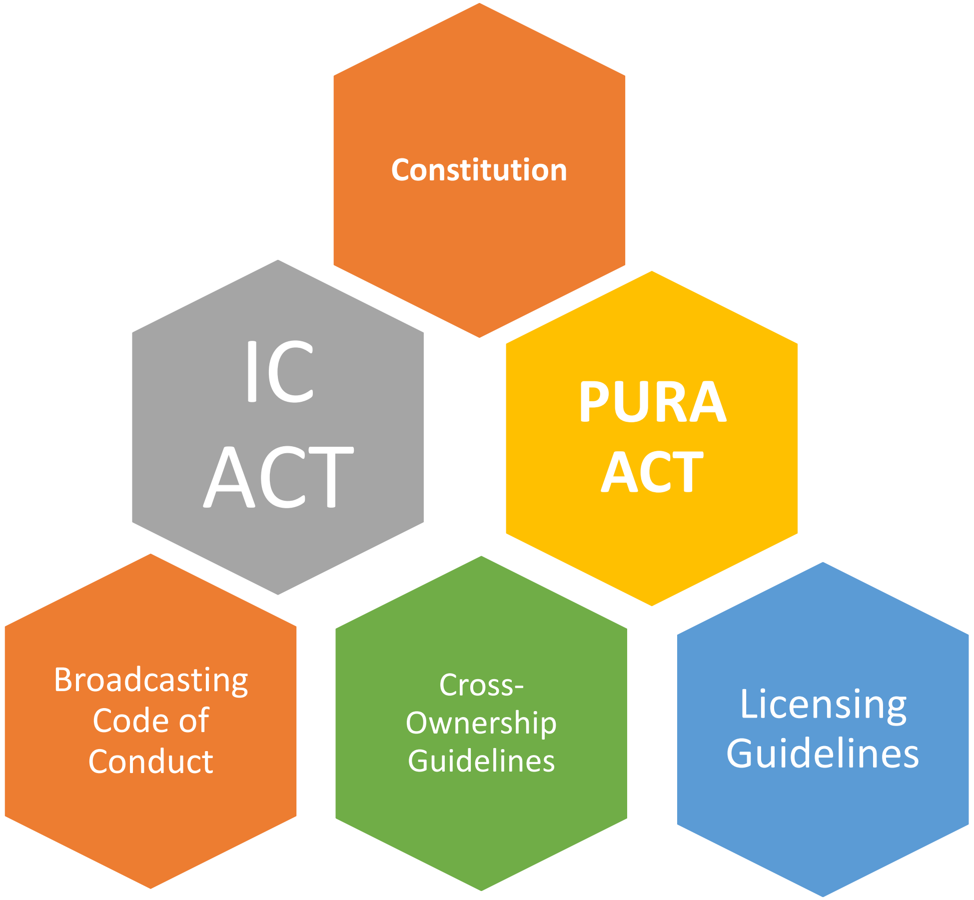
Presentation Content

- The legislative Framework
- The institutional Roles
- Liberalization process
- Technologies Deployed
- Cable TV (Infrastructure, challenges and Prospects)
- DTT deployment
- Market status(challenges and Prospects
- Lessons learnt.

Legislative Framework



Institutional Roles at Liberalization

MOICI

- Responsible for Strategic Policy Direction
- Final License Approval
- Head of DTT sub-committee
- Set Switch Off Date

PURA

- Responsible for Broadcasting regulations
- Handling License applications
- Chairs DTT sub-committee
- Approval of Proposed Pricing Structures

GRTS/DGL

- GRTS - Parent company of DGL Gambia
- State-Owned Broadcaster
- DGL to be licensed as Signal Distributor

EXCAF

- PPP Contract with Government of The Gambia
- Responsible for financing roll-out of DTT in The Gambia across all transmitter sites
- Subscription based revenue model
- FTA Providers

The Migration Process

Government Policy Declaration to commence the migratory process

Regulator (PURA) identified and earmarked the relevant frequencies

Private Operator chosen by the Government of The Gambia (EXCAF) to be responsible for deployment.

Concurrently, licensing of operators commenced

Infrastructure was deployed in 2019/2020.

Local Company Incorporated to be Government partner (DGL) – Spin off from incumbent state owned TV

Deployed TV Technologies

- DTT was the desired government technology in line with the ITU DTT migration strategy
- Satellite Disc mounted on roof tops signals mainly from the middle east
- Local provisioning of inter city cable networks usually mounted on utility poles.

Cable TV infrastructure

- Headend located in Serrekunda
- No VOD capabilities
- Cable runs on utility poles which is increasingly becoming a challenge
- Exploring opportunities to partner with Telecoms operator using ADSL due to the massive copper cable rollout
- Monthly subscription of $5.00
- Value proposition is the European Football Matches

Challenges for Cable TV deployment

- Limited content delivery.
- Misalignment with the consumer desires and industry trends
- High investment coverage cost due to size of the country and low population density
- Competing cheap products such as satellite sources
- Limited technical know how on content development
- Limited regulatory know-how. (yet to be formally adopted in the regulatory space)

Opportunities for Cable TV

- Possibility to expand both coverage and content through triple play solutions by leveraging on

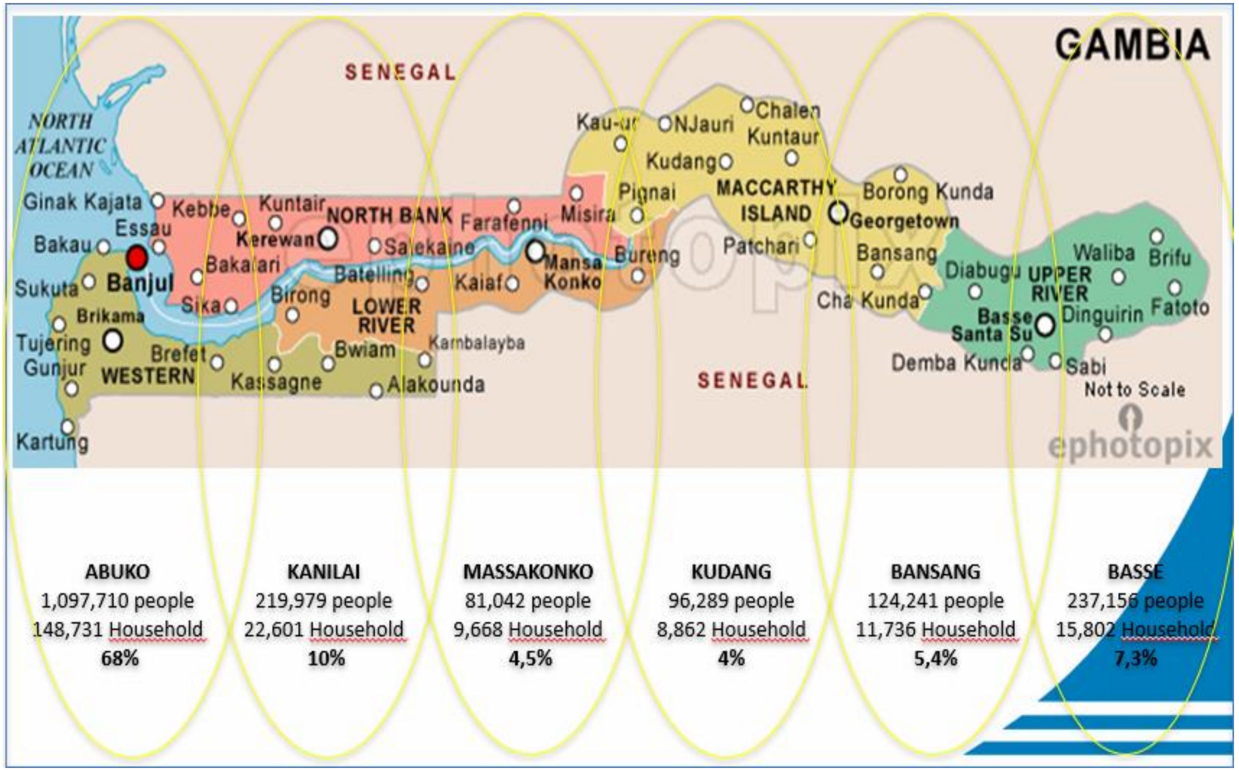
1. The massive fibre rollout in the country using FTTH
2. Providing more service offerings such as broadband access and other value added services
3. The use of Electricity poles to extend coverage . This will reduce cost significantly.
4. Infrastructure sharing regulations can lead to faster rollout

DTT Deployment

- The government as part of the DTT contracted a signal distributor through a PPP
- The head end is located in the Banjul and signal transmitted throughout the country using transmitters and received via dedicated roof top antennas in houses.
- The Signal distributor expected to recover its investment through the provisioning of paid bouquets

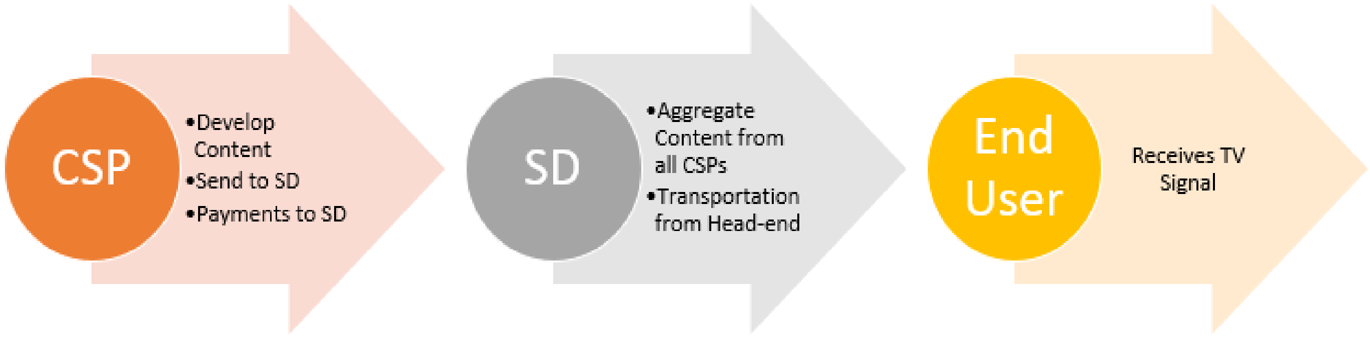
DTT INFRASTRUCTURE

- 6 Transmitters were to be deployed nationwide.
- Demand simulated as proxy of electricity meters in the country.
    - Cumulative 217,000 households countrywide
    - Total Project Cost - $14.9m
    - Expectations that consumers will buy bouquets
    - Demand targets could not be met
- Utilization of National Fibre Infrastructure for transportation of signals



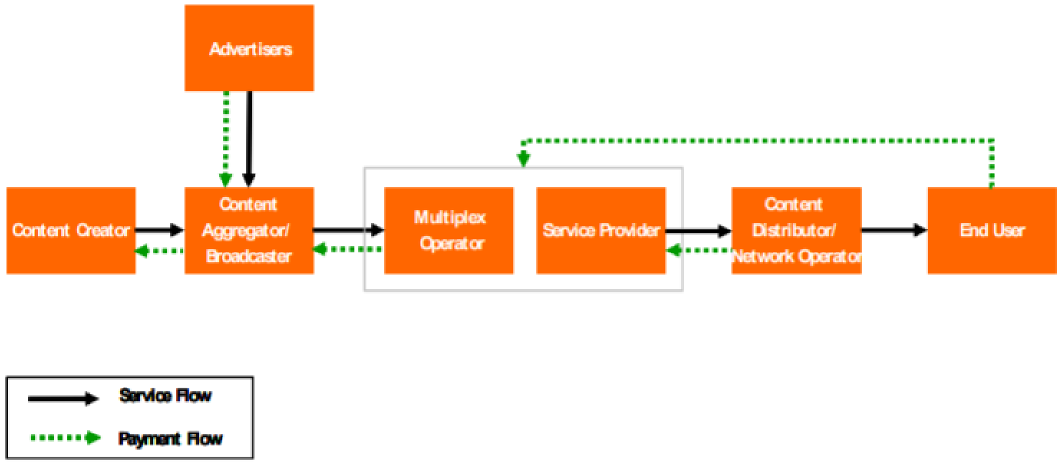
Revenue Model – 2 Facets

- **Free to Air**
  - **Locally licensed CSP's to pay for the transmission of signals**
  - **They started on analogue despite the presence of the Signal Distributor.**
    - **Reticence to paying monthly fees**
  - **Fees were to be set by Regulator**



Revenue Model – Pay TV

- **EXCAF Granted exclusivity to monetize 2 Frequencies (2 x 25 channels) into bouquets.**
- **Designed to recover investment cost + profit sharing with Government (80/20)**
- **EXCAF to obtain financing**
- **Pegged at $15/month**
- **Cost of Set-top box $42**



Local Market

- Immediate interest from Entrepreneurs
- Historically, just one state owned TV Station.
- Currently, 8 licensed TV stations (7 Private + 1 Public)
- Presence of DSTV in Local Market (High end)
- Local provisioning through use of utility lines ($6/month)
- Import of boxes from Middle East
- Value Proposition for the Gambian Market – Football (EPL, La Liga, Champions League)
  - Complicated Licensing Rights

CHALLENGES TO THE LIBERALIZATION PROCESS

Competition

Local Providers already present in Mass Market SD + CSP Targeted

DSTV , also present

Value Proposition

Regulatory forbearance – PURA requested for distribution rights to ensure protection of intellectual property

Financing Issues

Infrastructure deployment could not be completed

Recurring bills for utility (Electricity + Fibre not honoured)

Lack of Government Investment

Public Buy-In

Cost of Set-top boxes were too high for local populace

Most local providers also on satellite already deployed in homes.

EXCAF exited market entirely

Prospects

Infrastructure

- Mature state of Infrastructure in The Gambia – Relatively new fibre deployments
- Mass penetration of Televisions owing to electricity + diaspora remittances

Government Financing

- Partial willingness to use digital dividend funds to finance infrastructure
- Significant private sector interest for a clear PPP scheme

Local Content

- 7 local channels existing + 1 Licensed, yet to be operational
- Significant opportunities for cultural definition and local content

Lessons Learnt

- Procurement process
  - Important to select the SD in a transparent manner
  - Allow for proper due diligence
- Public Financing
  - In small countries like the Gambia, the initial seed capital considering market dynamics has to be led by the state
- Clarity on Roles
  - Conflating SD + CSP may result in competition issues through implementation.
  - Importance on strong contracts – Government was able to exit from this non performing arrangement due to non-performance.
  - Public vs Private Arrangements
- Strong Regulatory Oversight
  - Particularly on copyright issues + licensing

THANK YOU
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